

# Medicaid

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# Medicaid Reform, 2011

- The House will propose a comprehensive reform of Medicaid consistent with the principles and approach developed by the Select Council in 2010.
- A series of public workshops will be held by the Health and Human Services Committee and its subcommittees to hear testimony before the legislation is revised and introduced for consideration in the 2011 session.

# Overview of HB 7223/7225

- Qualified managed care plans include:
  - Provider Service Networks (PSN)
  - Exclusive Provider Organizations
  - Health Maintenance Organizations
  - Health Insurers
- Plans may target special populations, but no carve-outs—all services must be covered.
- A limited number of plans will be selected for each region
- Medicaid payment rates are negotiated as part of the procurement process, but based on historic spending and adjusted for clinical risk

# Overview of HB 7223/7225

- House Medicaid proposal consisted of 2 bills:
  - HB 7223 creates numerous new sections of law in Chapter 409 phased in over 5 years
  - HB 7225 makes date-specific, conforming changes to current law
- Medicaid is established as a statewide integrated managed care program for all covered services.
- All Medicaid recipients are enrolled in managed care unless specifically exempt; exempted recipients include:
  - Persons eligible for only limited services (family planning and breast and cervical cancer patients)
  - Persons eligible for only emergency coverage

# Overview of HB 7223/7225

## Statutory Criteria

- Accreditation
- Experience
- Community partnerships
- Commitment to quality
- Additional benefits
- Consideration of Medicaid history (i.e. withdrawals)
- Network participation

## Preferences

- Medical homes
- Participation by minority providers
- Comprehensive plans

# Overview of HB 7223/7225

## Additional Provisions

- 5-year contracts with no renewals
- Requirement to pay for non-contracted emergency services
- Requirement to meet network adequacy standards and transparency on network participation
- Continuous improvement process
- Required activities to prevent fraud and abuse
- Grievance resolution process by plans and by AHCA
- Penalties for early withdrawal
- Requirements for enrollment, choice counseling, etc.
- Encounter data analysis by AHCA

# Overview of HB 7223/7225

## Additional Provisions

- Children's Medical Services is qualified plan and exempt from competitive procurement
- Medical loss ratios
  - Pay backs for less than 85% spending
  - Loss of assignments and payback for less than 75% spending
  - DD plans must spend 92% of Medicaid premium
- Must cover all current mandatory and optional services, but may customize
- Plans must include some providers and may eliminate providers for failure to meet transparent quality standards

# Overview of HB 7223/7225

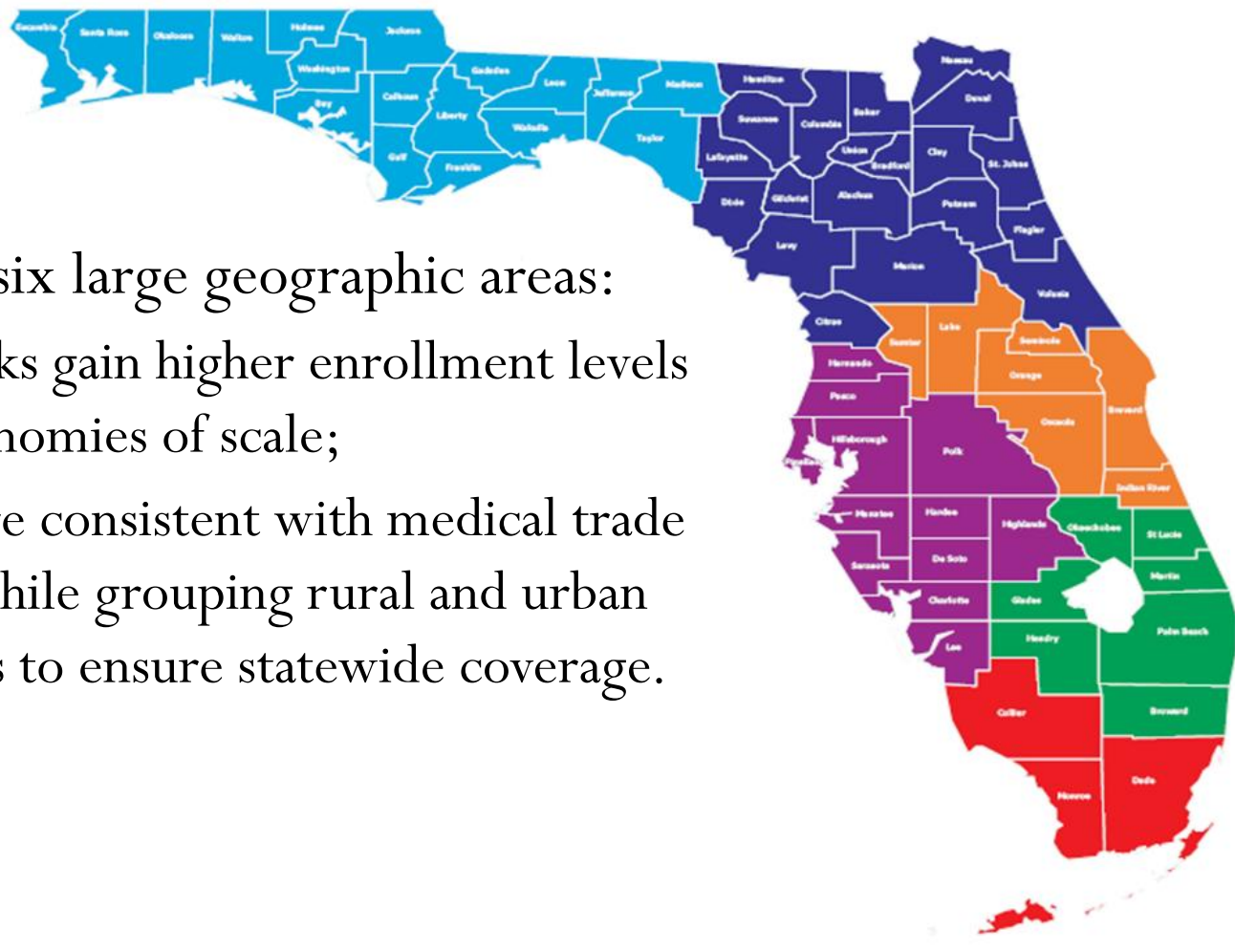
## Covered Services

- ICF/DD services
- Services in alternative residential settings
- Adult day training
- Behavior analysis
- Companion services
- Consumable medical supplies
- Durable medical equipment and supplies
- Environmental accessibility applications
- In-home support services
- Therapies (occupational, speech, respiratory, and physical)
- Personal care assistance
- Residential habilitation
- Intensive behavioral residential habilitation
- Behavior focus residential habilitation
- Residential nursing services
- Respite care
- Case management
- Supported employment
- Supported living coaching
- Transportation



# Administrative Changes...

- Regions: six large geographic areas:
  - Networks gain higher enrollment levels and economies of scale;
  - Areas are consistent with medical trade areas, while grouping rural and urban counties to ensure statewide coverage.



# Administrative Changes...

- Limited number of plans: minimum of 3 (except for persons with developmental disabilities) and maximum of 10 in a region:

Medical and Long Term Care	Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Total Statewide
Total Enrollees	203,337	433,428	692,564	370,747	426,008	552,024	2,678,108
Minimum plans	3	4	5	4	4	5	25
PSN plans if responsive	1	1	2	1	1	2	8
Maximum plans	3	7	10	8	7	9	44
DD plans Min – Max (1 PSN each)	2	2 - 5	3 - 6	3 - 6	3 - 6	3 - 6	16 - 31